

***POLICE AND FIRE RETIREMENT SYSTEM  
OF THE  
CITY OF DETROIT***

***MEETING NO. 3247  
THURSDAY, OCTOBER 17, 2019  
9:00 A.M.***

***A G E N D A***



***CHAIRPERSON: MATTHEW GNATEK  
VICE CHAIRPERSON: MEGAN MOSLIMANI***

*"With advance notice of seven calendar days, the City of Detroit will provide interpreter services at public meetings, including language translation and reasonable ADA accommodations. Please contact the Civil Rights, Inclusion and Opportunity Department at (313) 224-4950 through the TTY number 711, or e-mail [crio@detroitmi.gov](mailto:crio@detroitmi.gov) to schedule these services".*

*Questions regarding this notice may be sent to the LEP Coordinator in the CRIO Department by email at [crio@detroitmi.gov](mailto:crio@detroitmi.gov) or by phone at (313) 224-4950. Those interested in requesting interpretation or translation services for their department may also contact the LEP Coordinator for assistance in coordinating these services.*

*Please silence cell phones and to ensure there are no distractions, refrain from personal phone calls/conversations during "open meeting." There is a lobby area to conduct personal business.*

ROLL CALL: Excused:

AGENDA APPROVAL

[DROP APPLICATIONS](#)

PAGE 4

[RETIREMENT APPLICATIONS](#)

PAGE 4

HYBRID APPLICATIONS

NONE

[RECEIPTS](#) (ACKNOWLEDGE ONLY)

PAGE 5

[DISBURSEMENTS](#)

SEPARATE SUBMISSION

[REFUNDS](#) (ANNUITY WITHDRAWALS)

SEPARATE SUBMISSION

[EMPLOYEE LOANS](#)

SEPARATE SUBMISSION

[MINUTES FOR DISTRIBUTION:](#)

September 19, 2019

MINUTES FOR APPROVAL:

None

MINUTES UNAVAILABLE:

October 3, 2019

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

[Draft Employee Newsletter](#)

EXECUTIVE DIRECTOR'S REPORT

CHIEF INVESTMENT OFFICER'S REPORT

PUBLIC COMMENT

PUBLIC RELATIONS ADVISOR'S REPORT

LOBBYIST'S REPORT

[GENERAL COUNSEL'S REPORT](#)

COMMITTEE REPORT

**For Review**

[Motley Rice Securities Litigation Report Q3 2019](#)

### **TABLED MOTIONS/DISCUSSIONS**

**01/24/2019 Meeting # 3230:** Table of Motion regarding Mr. Raby and Mr. Zawislak's Retirement Benefits. Motion made by Gregory Trozak; supported by John Serda.

### **PRESENTATION SCHEDULE**

#### **OCTOBER 17, 2019**

10:00 A.M. – [Motley Rice](#)

10:30 A.M. - [Smith Graham](#)

11:00 A.M. – [UHY-Procentia update](#)

11:30 A.M. -

#### **November 7, 2019**

10:00 A.M. –Nanette Knighton- Disability Appeal Hearing

10:30 A.M. - Shonee McNair- Disability Appeal Hearing

11:00 A.M. –

12:00 P.M. –



**SERVICE APPLICATIONS**

NAME, TITLE, DEPARTMENT	Frank E. Harris – Fire Sergeant - Fire
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	25 00 00 – 09 01 19

**DROP APPLICATIONS**

NAME, TITLE, DEPARTMENT	Glenn D. Doss - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 09 16 – 09 24 19

NAME, TITLE, DEPARTMENT	Darryl K. Jackson - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 07 16 – 11 25 19

NAME, TITLE, DEPARTMENT	Sivad H. Johnson – Fire Fighter – MFR - Fire
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	19 10 23 – 09 05 19

NAME, TITLE, DEPARTMENT	Kenneth M. Martin - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 00 03 – 09 25 19

NAME, TITLE, DEPARTMENT	Nick B. Whitaker - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 09 04 – 09 30 19

## RECEIPTS:

### The Board received the following receipts for Acknowledgment:

Cash Receipts			Cash Account: HYBLIQRES			
Company: RSCD-PFRS			Start Date: 9/23/2019			
			End Date: 10/14/2019			
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
9/27/2019	GL			Post tax annuity contributions 9-27-19		8,802.14
9/27/2019	CA	Cash Entry	001523	Pre tax pension contributions 9-27-19	R/C	280,667.15
10/4/2019	GL			Post tax annuity contributions 10-4-19		10,669.34
10/4/2019	CA	Cash Entry	001530	Pre tax pension contributions 10-4-19	R/C	103,268.52
						403,407.15
Cash Receipts			Cash Account: LIQUID RES			
Company: RSCD-PFRS			Start Date: 9/23/2019			
			End Date: 10/14/2019			
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
9/30/2019	CA	Cash Entry	001531	Loan Deductions 9-27-19 (\$72,710.47)	R/C	72,710.47
10/9/2019	CA	Cash Entry	001540	Loan Deduction Program 10-4-19 (\$27,021.61)	R/C	27,021.61
						99,732.08
Total Receipts						503,139.23

POLICE AND FIRE MEETING SCHEDULE 2019

<u>DAY</u>	<u>DATE</u>
THURSDAY	OCTOBER 17, 2019
THURSDAY	*NOVEMBER 07, 2019
THURSDAY	NOVEMBER 21, 2019
THURSDAY	*DECEMBER 05, 2019

\*DISABILITY AND RE-EXAM REPORTING\*

2019 MEETING SCHEDULE  
INVESTMENT COMMITTEE OF THE POLICE AND FIRE RETIREMENT SYSTEM

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
MONDAY	NOVEMBER 25, 2019	10:00 A.M.	CONFERENCE ROOM

\*ALL MEETINGS BEGIN AT 10:00 A.M. UNLESS NOTED DIFFERENTLY AND WILL BE IN  
THE BOARD CONFERENCE ROOM.

### **FOCUS LIST- UNDERPERFORMERS**

**Northpointe** (US Equity Investment Manager) -Large Cap Value- Placed on Focus List September 2017- Three year investment performance below policy and peer universe median

**LA Capital** (Non-US Equity Investment Manager) Emerging Markets- Placed on Focus List December 2017- Three year investment performance below policy and median

**TT International** (Non-U.S. Equity) Developed Markets –Placed on Focus List June 2019 – Three year investment performance below policy and peer universe median.

**Smith Graham & Company** (Core Fixed Income) Placed on Focus List December 2018- Three year investment performance below policy and peer universe median.

**Brown Brothers** (Fixed Income) U.S. TIPS - Placed on Focus List June 2019- Three year investment performance below policy and median.

### **FOCUS LIST- OUTPERFORMERS**

**Wells Capital Small Cap Growth** (U.S. Equity) Small Cap Growth- They have outperformed their index by nearly 6% over the trailing three years, ranking near the top 1/3 of peers in their universe. Additionally, over the past three quarters, while the market was down -5.7%, Wells protected capital, down just -3.3%.

**Deroy & Devereaux** (U.S. Equity) All Cap Value- Deroy & Devereaux, a manager that is part of the diverse owned/emerging manager program, outperformed its index by over 3% during Q2 2019 and added over 2% during the trailing three years-ranking in the top quartile of peers.

**Johnston International Equity** (Non-US Equity Investment Manager) Johnston's [performance over the past five years has them ranked in the top 5% of peer Non-U.S. Equity Investment Managers. Also notable, Johnston protected value in the 4Q 2018 sell off and participated in the 1Q 2019 recovery, outperforming by 6% in the trailing three quarters.

**Lazard Emerging Markets** (Non-US Equity Investment Manager) Lazard was recently included on the focus list for underperformance given high quality orientation; however, they protected assets in the 4Q 2018 sell-off, and participated in the 1Q 2019 recovery, outperforming nearly 2/3 of peers over the trailing one year.



**Baird Advisors Core Bond** (Fixed Income) Baird has outperformed its benchmark, NOF, 12 of the last 14 quarters. Over the trailing three years, Baird has added 0.72% over the index and ranks in the top quartile of its peers.

### **COMMITTEES**

**FINANCE** – BERENT, GNATEK, JONES, NAGLICK, PEGG, ORZECHE AND WATSON

**JOINT PERSONNEL** – **PFRS:** NAGLICK, PEGG, AND SERDA  
**GRS:** NICKLEBERRY, SHEEHAN AND HALL-WAGNER

**POLICY** – GNATEK, JAMES, JONES, MOSLIMANI AND PEGG

**PUBLIC RELATIONS** –GNATEK, NAGLICK, PEGG AND ROBERSON  
EXECUTIVE STAFF: EXECUTIVE DIRECTOR DAVID CETLINSKI, ASSISTANT EXECUTIVE  
DIRECTOR KELLY TAPPER AND GENERAL COUNSEL RONALD KING